(d) if so, what steps have been taken to investigate the matter and fix the responsibility?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) to (d) The matter is subjudice and therefore, it would not be in public interest to furnish the requisite details.

Incidental facilities to drug producers

672. SHRIMATI PRATIBHA SINGH: Will the PRIME MINISTER be pleased to refer to the answer to Unstarred Question 769 given in the Rajya Sabha on the 25th July, 1991 and state:

(a) whether it is a fact that 8 per cent incidental facilities are allowed even to those who do not incur them;

(b) if so, the reasons thereof;

(c) whether it is also a fact that leading producers of formulations have their own production and they do not incur sales tax, Octroi, Transport charges etc;

(d) if so, what is the justification;

(e) whether it is a fact that M/s. May and Baker M/s Unique, M/s. Unichem are the producers of bulk drug and their formulations;

(f) if so, on what basis Rupees Four Crores extra per annum was given to these companies for the past four years;

(g) what is the rate of Glycol allowed to each of the producers in cost studied by BICP; and

(h) whether it is also a fact that BICP allowed the rates of Glycol based on quotations and not on purchase invoices of reasonable quantity?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) to (f) Sir, while fixing the price of formulations, only in the case of ceiling packs, whose prices are notified in the Official Gazette and have to be followed by all manufacturers of those pack, incidentals are allowed at 8 per cent without any verification.

(g) and (h) At the time of Cost-cum-Technical Study, BICP allows an average price of raw materials, etc., on the basis of latest audited accounts and balance sheet.

Reduction in the prices of Sulphamoxole

673. SHRIMATI PRATIBHA SINGH: Will the PRIME MINISTER be pleased to refer to the answer to Unstarred Question 759 given the Rajya Sabha on the 25th July and state:

(a) the basis on which Government have reduced the price of Sulphamoxole from Rs. 430/- to Rs. 399/- per kg. as recommended by BICP;

(b) whether it is a fact that this reduction was withheld for one year by Government and as a result of which the producer gained Rs. 60 lakhs;

(c) what steps have been taken to bring the instance of misnomer to the notice of the Chairman of BICP and Ministry of Industry;

(d) what are the names of drugs where Government reduced the prices then recommended by BICP from 1st January, 1990 to 31st July 1991; and

(e) what was the price remommended by BICP and what price was fixed?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) The price of Sulphamoxole was reduced from Rs. 430/- to Rs. 399/- per kg. on the basis of detailed scrutiny and examination of relevant issues carried out in this Department.

(b) No, Sir. Certain clarifications were sought from BICP and thereafter the cost cum technical report was examined in this department. This whole exercise including notification of the price in the official gazette took some time.

(c) to (e) The prices of category I and category II scheduled drugs

DPCO 1987 are fixed by the Department, taking into account and after examination of the cost cum technical study report of BICP which are confidential in nature and are an input in decision making by the Department.

Concessions on various drugs

674. SHRIMATI PRATIBHA SINGH: Will the PRIME MINISTER be pleased to refer to answer to Unstarred Question 397 given in the Rajya Sabha on 18th July, 1991 and state:

(a) whether it is a fact that certain producers have sought custom duty hike on the bulk drug intermediates and withdrawal of concession on finished formulations ;

(b) if so, names of the items and producers who made such request during 1990-91;

(c) what are the details of proposals which were recommended for duty hike and withdrawal of duty concessions on finished medicines to the Ministry of Finance;

(d) whether it is a fact that concessions on duty on intermediates and bulk drugs are hampering the development of production from basic stages;

(e) whether Government have made any study of this aspect; and

(f) if so, the details and complete findings of the study?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) to (f) Duty rationalisation on bulk drugs, intermediates and finished medicines is an on going process. Requests for hike or reduction in duty keep on coming and final decision in this regards are taken by Department of Revenue.

(d) Duty rationalisation is made from time to time to take care of such as-

Permission to Pepsi Foods for new soft drink plant

675. SHRI DIPEN GHOSH: Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) whether it is a fact that no new plants to manufacture Pepsi soft drink or new soft drinks from Pepsi Foods will be allowed until the soft drink business is within the 25 per cent of turnover of items specified in the foreign collaboration approval; and

(b) if so, what are the circumstances under which new plants to manufacture Pepsi soft drinks or new soft drinks from Pepsi Foods will be permitted?

THE MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI GIRIDHAR GOMANGO): (a) and (b) M/s Pepsi Foods Private Limited inter-alia, manufacturers soft dring concentrate and is not manufacturing soft drings as such. Independent bottlers are manufacturing Pepsi soft drinks on franchise from M/s Pepsi Foods Pvt. Ltd. The bottlers, however, afe to comply with the requirement of the Fruit Products Order for hygienic conditions specifications, etc. Under the new Industrial Policy bottling plants can be set up for manufacturing soft drinks by the entrepreneurs complying with the locational para-meters and no Industrial Licence is required for that. Separate actions for M/s Pepsi Foods Private Limited, complying with the conditions of the Letter of Intent, foreign collaboration approval regarding restricting soft drink concentrate sale to 25 per cent of its turn-over has been initiated.